BRITISH COLUMBIA ASSESSMENT AUTHORITY

STATEMENTS & SCHEDULES OF FINANCIAL INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2011

BRITISH COLUMBIA ASSESSMENT AUTHORITY

STATEMENTS AND SCHEDULES OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2011

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BRITISH COLUMBIA ASSESSMENT AUTHORITY

Year ended December 31, 2011

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Financial Statements

Year ended December 31, 2011

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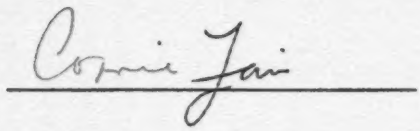
Management's Responsibility for the Financial Statements

The accompanying financial statements of British Columbia Assessment Authority (the "Authority" or "BC Assessment") are the responsibility of the Authority's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for public sector organizations established by the Public Sector Accounting Board of The Canadian Institute of Chartered Accountants. A summary of the significant accounting policies is described in Note 2 of the accompanying notes to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Authority's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

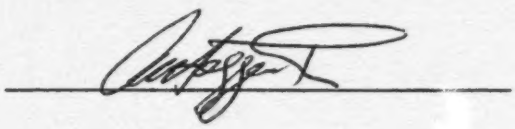
The Audit and Risk Management Committee meets with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to the board's approval of the financial statements.

The financial statements have been audited by Grant Thornton LLP, independent external auditors appointed by the Authority. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Authority's financial statements.



Connie Fair

President and Chief Executive Officer



Andy Hoggarth

Vice President and Executive Financial Officer

Grant Thornton

Independent auditors' report

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To the Board of Directors of British Columbia Assessment Authority, and
To the Minister of Community, Sport and Cultural Development, Province of British Columbia

We have audited the accompanying financial statements of British Columbia Assessment Authority, which comprise the financial position as at December 31, 2011, December 31, 2010 and January 1, 2010 and the results of operations, changes in net financial assets, and cash flows for the years ended December 31, 2011 and December 31, 2010, and a summary of significant accounting policies and other explanatory information

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Grant Thornton

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of British Columbia Assessment Authority as at December 31, 2011, December 31, 2010 and January 1, 2010 and the results of its operations, changes in net financial assets, and its cash flows for the years ended December 31, 2011 and December 31, 2010 in accordance with Canadian public sector accounting standards.

Grant Thornton LLP

Victoria, Canada
April 13, 2012

Chartered accountants

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Statement of Financial Position

As at December 31, 2011
(In thousands of dollars)

	December 31 2011	December 31 2010	January 1 2010
		(Restated – note 1)	
Financial assets:			
Cash and cash equivalents (note 3)	$ 27,760	$ 26,637	$ 25,894
Accounts receivable	1,892	2,114	1,515
Accounts receivable from provincial government	2	63	29
	29,654	28,814	27,438
Liabilities:			
Accounts payable and accrued liabilities	3,425	4,005	4,644
Accounts payable due to provincial government	782	732	655
Employee benefits and other liabilities (note 4)	9,309	9,306	9,319
Lease inducements	3,481	3,825	1,129
Capital lease obligations (note 5)	980	499	-
	17,977	18,367	15,747
Net financial assets	11,677	10,447	11,691
Non-financial assets:			
Tangible capital assets (note 6)	15,473	15,707	13,311
Prepaid expenses	920	771	670
	16,393	16,478	13,981
Accumulated surplus (notes 1 & 7)	$ 28,070	$ 26,925	$ 25,672

Commitments (note 8)

The accompanying notes are an integral part of these financial statements.

On Behalf of the Board:

Director

Director

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Statement of Operations

Year ended December 31, 2011
(In thousands of dollars)

	Budget (Unaudited – note 10)	2011	2010 (Restated – note 1)
Revenue:			
Tax levies	$ 76,930	$ 76,927	$ 75,785
Data access services	3,702	3,490	3,592
Payments in lieu of taxes	780	846	864
First Nations	560	563	540
Investment income	205	269	202
Other	123	139	182
Gain on disposal of capital assets	-	74	27
	82,300	82,308	81,192
Expenses:			
Employee expenses	55,503	55,098	53,965
Office premises	6,504	6,185	7,392
Information and communications technology	5,893	5,601	5,486
Amortization	4,660	4,489	4,376
Appeal costs (note 9)	3,896	3,882	3,508
Corporate and office	2,634	2,727	2,135
Assessment notice printing and postage	1,743	1,618	1,635
Travel	1,467	1,563	1,442
Total expenses	82,300	81,163	79,939
Annual surplus	-	1,145	1,253
Accumulated surplus, beginning of year	26,925	26,925	25,672
Accumulated surplus, end of year	$ 26,925	$ 28,070	$ 26,925

The accompanying notes are an integral part of these financial statements

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Statement of Change in Net Financial Assets

Year ended December 31, 2011
(In thousands of dollars)

	Budget (Unaudited - note 10)	2011	2010 (Restated - note 1)
Annual surplus	$ -	$ 1,145	$ 1,253
Acquisition of tangible capital assets	(3,430)	(4,255)	(6,775)
Amortization of tangible capital assets	4,660	4,489	4,376
Gain on sale of tangible capital assets	-	(74)	(27)
Proceeds on sale of tangible capital assets	-	74	29
	1,230	1,379	(1,144)
Change in prepaid expenses	-	(149)	(100)
Change in net financial assets	1,230	1,230	(1,244)
Net financial assets, beginning of year	10,447	10,447	11,691
Net financial assets, end of year	$ 11,677	$ 11,677	$ 10,447

The accompanying notes are an integral part of these financial statements

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Statement of Cash Flows

Year ended December 31, 2011
(In thousands of dollars)

	2011	2010 (Restated – note 1)
Cash provided by (used in):		
Operating activities:		
Annual surplus	$ 1,145	$ 1,253
Items not involving cash:		
Amortization	4,489	4,376
Change in lease inducements	(344)	2,696
Gain on sale of tangible capital assets	(74)	(27)
Change in employee benefits and other liabilities	3	(13)
Change in non-cash assets and liabilities:		
Accounts receivable	283	(634)
Accounts payable and accrued liabilities	(530)	(562)
Prepaid expenses	(149)	(100)
Net change in cash from operating activities	4,823	6,989
Capital activities:		
Proceeds on sale of tangible capital assets	74	29
Cash used to acquire tangible capital assets	(3,666)	(6,213)
Net change in cash from capital activities	(3,592)	(6,184)
Financing activities:		
Principal payments on tangible capital leases	(108)	(62)
Net change in cash from financing activities	(108)	(62)
Net change in cash	1,123	743
Cash and cash equivalents, beginning of year	26,637	25,894
Cash and cash equivalents, end of year	$ 27,760	$ 26,637
Supplementary cash flow information		
Non-cash transactions		
Financing used to acquire tangible capital assets	$ 589	$ 561

The accompanying notes are an integral part of these financial statements.

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Notes to Financial Statements

Year ended December 31, 2011
(In thousands of dollars)

The British Columbia Assessment Authority ("BC Assessment") was established in 1974 as an independent Crown corporation by the Province of British Columbia by enactment of the *Assessment Authority Act*. The purpose of BC Assessment is to establish and maintain assessments that are uniform in the whole of the province in accordance with the *Assessment Authority Act*. BC Assessment is exempt from incomes taxes under the *Income Tax Act*.

1. Conversion to Public Sector Accounting Standards:

Commencing with the 2011 fiscal year, BC Assessment has adopted Canadian public sector accounting standards as recommended by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants. These financial statements are the first financial statements for which BC Assessment has applied these Canadian PSA standards.

The impact of the conversion to Canadian PSA standards on the accumulated surplus at the date of transition and the comparative annual surplus is presented below. These accounting changes have been applied retroactively with restatement of prior periods. The following changes have been implemented to comply with PSA standards:

	Previously Stated 2010	Adjustment 2010	Restated 2010
Employee benefits and other liabilities	$ 8,044	$ 1,262	$ 9,306
Cash and cash equivalents	26,819	(182)	26,637
Accounts receivable	1,995	182	2,177

Accumulated surplus at January 1, 2010:	
Equity in capital assets	$ 13,311
Equity from operations - appropriated	10,000
Equity from operations - unappropriated	3,803
Accumulated surplus, as previously reported	27,114
Adjustment for post employment benefits on conversion to PSAB	(1,442)
Accumulated surplus, as restated as at January 1, 2010	$ 25,672
Annual surplus for 2010:	
Net income, as previously reported	$ 1,074
Change in post employment benefits expense on conversion to PSAB	179
Annual surplus, as restated	$ 1,253

1. Conversion to Public Sector Accounting Standards (continued):

The majority of the adjustment to opening accumulated surplus is due to the recognition of employee future benefits associated with vacation entitlement upon retirement and uninsured death benefits, both of which were not previously recognized as liabilities under the former accounting standards.

Under PSA standards, short-term money market investments are shown using their cost basis. The 2010 cash equivalents were previously shown at their market value and accordingly have been restated at cost. The difference between cost and market value on these investments is entirely attributable to accrued interest, and so accounts receivable has also been restated in 2010 to reflect this impact.

BC Assessment has elected to use the following exemptions allowed upon first-time adoption:

Retirement and post-employment benefits – BC Assessment has elected to recognize all cumulative actuarial gains and losses as of the date of transition to PSA standards directly in accumulated surplus.

Tangible capital asset impairment – BC Assessment has elected to assess conditions for a write-down of a tangible capital asset as noted in Section PS 3150, *Tangible Capital Assets*, on a prospective basis from the date of transition to PSA standards.

2. Significant accounting policies:

The financial statements of BC Assessment are prepared by management in accordance with Canadian generally accepted accounting principles for governments as recommended by the PSAB. Significant accounting policies adopted by BC Assessment are as follows:

(a) Basis of accounting:

BC Assessment follows the accrual method of accounting for revenues and expenses. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(b) Revenues:

Revenues are recorded in the period in which the transactions or events occurred that gave rise to the revenues.

Tax levies: BC Assessment, by by-law and subject to the prior approval of the Lieutenant Governor in Council, each year imposes and levies a tax upon all taxable real property in the province, but excluding property that is taxable for school purposes only by special Act. A copy of this by-law is forwarded to the Tax Collector of every municipality in the province and to the Surveyor of Taxes in order that the taxes so levied will be placed on the tax rolls. The proceeds of the taxes so levied and collected by the municipalities or the Minister of Finance

2. Significant accounting policies (continued):

constitutes BC Assessment's tax levies revenue. This revenue is recognized equally across all periods in the year.

Other revenue: Other revenue includes revenue from data access services, payments in lieu of taxes, contracts with First Nations, and other miscellaneous revenue (refer to note 9). Data access revenue and other miscellaneous revenue are recognized when earned, while payments in lieu of taxes and First Nations revenue are recognized equally across all periods throughout the year.

Investment: Investment revenue includes interest on deposits in banks, and earnings generated by short-term investments, and is reported as revenue in the period earned.

(c) Lease inducements:

Lease inducements include cash payments, reduced rent and rent free periods. The lease inducement benefits are amortized on a straight-line basis over the occupancy period.

(d) Cash equivalents:

Cash equivalents include short-term highly liquid investments with a term to maturity of 90 days or less at acquisition.

(e) Investments:

Investments consist of deposits in banks and short-term money market instruments and are recorded at amortized cost. Discounts and premiums arising on the purchase of these investments are amortized over the term of the investments. When there has been a loss in value that is other than a temporary declined in value, the respective investment is written down to recognize the loss.

(f) Employee future benefits:

(i) BC Assessment and its employees make contributions to the Public Service Pension Plan. This plan is a multi-employer defined benefit plan, providing a pension on retirement based on the member's age at retirement, length of service and highest earnings averaged over five years. Inflation adjustments are contingent upon available funding. The joint trustee board of the plan determines the required plan contributions annually. These contributions are expensed as incurred.

(ii) Retirement and other future benefits are also available to BC Assessment's employees. The costs of these benefits are actuarially determined based on service and best estimates of retirement ages, expected future salary and wage increases, long-term inflation rates and discount rates. The obligations under these benefit plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits. Actuarial gains and losses are amortized over the expected average remaining service life of the employees.

2. Significant accounting policies (continued):

(g) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(h) Tangible capital assets

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land, is amortized on a straight line basis over their estimated useful lives as follows:

Asset	Useful life - years
Buildings	20
Furniture and equipment	3 to 5
Computer equipment	3 to 5
Motor vehicles	5
Assessment system software	10
Other software	1 to 5
Leasehold improvements	Equal to the lease term
Leased equipment	Equal to the lease term

Annual amortization is charged in the year of acquisition and not in the year of disposal. Assets under construction are not amortized until the asset is available for productive use. Tangible capital assets are written down when conditions indicate that they no longer contribute to BC Assessment's ability to provide services, or when the value of the future economic benefits associated with the tangible capital assets is less than their net book value. The net write-down is accounted for as an expense in the statement of operations.

(i) Leased tangible capital assets

Leases that transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

2. Significant accounting policies (continued):

(j) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant estimates include assumptions used in estimating provisions for accrued liabilities, the useful life of capital assets and in performing actuarial valuations of employee future benefits. Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

3. Cash and cash equivalents:

Cash and cash equivalents reported on the statement of financial position have cost and market values as follows:

	December 31, 2011		December 31, 2010		January 1, 2010	
	Cost	Market Value	Cost	Market Value	Cost	Market Value
Cash	$ 1,116	$ 1,116	$ 540	$ 540	$ 599	$ 599
Money market funds	26,644	26,857	26,097	26,279	25,295	25,380
Total	$ 27,760	$ 27,973	$ 26,637	$ 26,819	$ 25,894	$ 25,979

4. Employee benefits and other liabilities:

The employee benefit and other liabilities, reported on the statement of financial position, are made up of the following:

	December 31, 2011	December 31, 2010	January 1, 2010
Employee future benefits	$ 3,618	$ 3,654	$ 3,835
Employee past benefits	6	11	11
Other liabilities	5,685	5,641	5,473
Total	$ 9,309	$ 9,306	$ 9,319

Other liabilities include outstanding payables for employer remittances, accrued salaries, vacation, and overtime.

4. Employee benefits and other liabilities (continued):

Employees' past benefits:

At the time of the formation of the British Columbia Assessment Authority, BC Assessment negotiated an agreement with those designated employees whose previous working agreements contained clauses that called for payment of certain benefits upon death, retirement or termination of employment. The benefits under the agreement are recognized as a liability. Adjustments to the liability resulting from changes in salary rates are charged to the current year. Payments of benefits are treated as a reduction of the liability.

Employees' future benefits:

Outside of the Public Service Pension Plan, BC Assessment annually accrues the future obligation under the defined retirement benefit plan as the employees render the services necessary to earn the benefit. These retirement benefit plans include a retirement allowance, unearned vacation entitlement, and death benefits. An independent actuarial valuation of the post-employment benefits obligation and net periodic benefit cost was calculated at October 31, 2011 using management's estimates of salary escalation and expected retirement ages. This valuation was then extrapolated to December 31, 2011. The recorded liability represents these estimated future costs discounted to a present value using market interest rates applicable to BC Assessment.

Information about BC Assessment's retirement benefit plans is as follows:

	2011	2010
Accrued benefit obligation:		
Balance, beginning of year	$ 3,654	$ 3,835
Current benefit cost	229	222
Interest	144	151
Benefits paid	(409)	(554)
Balance, end of year	$3,618	$3,654
Actuarial benefit obligation:		
Accrued benefit obligation	$ 3,618	$ 3,654
Unamortized actuarial loss	35	-
Balance, end of year	$ 3,653	$ 3,654

4. Employee benefits and other liabilities (continued):

The significant actuarial assumptions adopted in measuring BC Assessment's accrued benefit obligations are as follows:

	2011	2010
Discount rate	3.25%	4.00 %
Expected future inflation rate	1.50%	1.50 %
Expected productivity and seniority increases	1.10% to 3.65%	1.10% to 3.65%

Over time, changes in assumptions and actual experience compared to expected results will cause actuarial gains and losses in future valuations. A decrease in the discount rate from 2010 to 2011, partially offset by actual benefit payments being less than expected, has created a net actuarial loss at December 31, 2011.

The unamortized actuarial loss on future payments is amortized over the estimated average service lives of the employees which is 12 years.

Other pension plans:

BC Assessment and its employees contribute to the Public Service Pension Plan in accordance with the *Public Sector Pension Plans Act*. The British Columbia Pension Corporation administers the plan, including payment of pension benefits to employees to whom the act applies. The Public Service Pension Plan is a multi-employer, defined benefit plan. Under joint trusteeship, the risk and reward associated with the Plan's unfunded liability or surplus is shared between the employers and the plan members and will be reflected in their future contributions. The most recent actuarial valuation (March 31, 2011) determined the Plan had an unfunded liability. As a result, the Public Service Pension Board of Trustees will implement a contribution rate increase of 0.40% each, for plan members and employers to meet the funding requirements of the *Pension Benefits Standards Act*. The increase in rates will go into effect April 1, 2012.

Contributions to the Plan by BC Assessment for 2011 were $3,755 (2010 - $3,727).

5. Capital lease obligations:

In 2010 and 2011, BC Assessment entered into agreements to lease office equipment. These leases are accounted for as capital leases with minimum lease payments for each of the five years of the lease term.

Year ending December 31:	2011	2010
2011	$ -	$ 144
2012	289	144
2013	289	144
2014	289	144
2015	289	130
2016	105	-
Subtotal	1,261	706
Less amount representing interest at 3% per annum	(281)	-
Less amount representing interest at 13% per annum	-	(207)
Present value of net minimum capital lease payments	$ 980	$ 499

Interest of $114 (2010 - $37) relating to capital lease obligations has been included in expenses on the Statement of Operations.

As at January 1, 2010 there were no capital lease obligations.

6. Tangible capital assets:

Cost	Balance at December 31, 2010	Additions	Disposals	Balance at December 31, 2011
Land	$ 354	$ -	$ -	$ 354
Buildings	2,519	-	-	2,519
Furniture and equipment	8,354	158	(4,223)	4,289
Computer equipment	6,847	1,368	-	8,215
Motor vehicles	2,100	260	(380)	1,980
Leasehold improvements	5,060	(2)	-	5,058
Leased equipment	561	589	-	1,150
Assessment system software	13,698	845	-	14,543
Other software	988	167	-	1,155
Assets under development	898	870	-	1,768
Total	$ 41,379	$ 4,255	$ (4,603)	$ 41,031

Accumulated amortization	Balance at December 31, 2010	Disposals	Amortization expense	Balance at December 31, 2011
Land	$ -	$ -	$ -	$ -
Buildings	1,722	-	126	1,848
Furniture and equipment	6,256	(4,223)	723	2,756
Computer equipment	6,141	-	957	7,098
Motor vehicles	1,728	(380)	246	1,594
Leasehold improvements	1,052	-	544	1,596
Leased equipment	45	-	180	225
Assessment system software	7,983	-	1,517	9,500
Other software	745	-	196	941
Assets under development	-	-	-	-
Total	$ 25,672	$ (4,603)	$ 4,489	$ 25,558

Net book value	Balance at December 31, 2010	Balance at December 31, 2011
Land	$ 354	$ 354
Building	797	671
Furniture and equipment	2,098	1,533
Computer equipment	706	1,117
Motor vehicles	372	386
Leasehold improvements	4,008	3,462
Leased equipment	516	925
Assessment system software	5,715	5,043
Other software	243	214
Assets under development	898	1,768
Total	$ 15,707	$ 15,473

6. Tangible capital assets (continued):

Cost	Balance at December 31, 2009	Additions	Disposals	Balance at December 31, 2010
Land	$ 354	$ -	$ -	$ 354
Buildings	2,519	-	-	2,519
Furniture and equipment	9,585	1,204	(2,435)	8,354
Computer equipment	8,319	421	(1893)	6,847
Motor vehicles	2,201	-	(101)	2,100
Leasehold improvements	2,670	2,540	(150)	5,060
Leased equipment	-	561	-	561
Assessment system software	12,864	834	-	13,698
Other software	770	317	(99)	988
Assets under development	-	898	-	898
Total	$ 39,282	$ 6,775	$ (4,678)	$ 41,379

Accumulated amortization	Balance at December 31, 2009	Disposals	Amortization expense	Balance at December 31, 2010
Land	$ -	$ -	$ -	$ -
Buildings	1,596	-	126	1,722
Furniture and equipment	7,940	(2,434)	750	6,256
Computer equipment	7,145	(1,892)	888	6,141
Motor vehicles	1,596	(100)	232	1,728
Leasehold improvements	737	(150)	465	1,052
Leased equipment	-	-	45	45
Assessment system software	6,467	-	1,516	7,983
Other software	490	(99)	354	745
Assets under development	-	-	-	-
Total	$ 25,971	$ (4,675)	$ 4,376	$ 25,672

Net book value	Balance at December 31, 2009	Balance at December 31, 2010
Land	$ 354	$ 354
Building	923	797
Furniture and equipment	1,645	2,098
Computer equipment	1,174	706
Motor vehicles	605	372
Leasehold improvements	1,933	4,008
Leased equipment	-	516
Assessment system software	6,397	5,715
Other software	280	243
Assets under development	-	898
Total	$ 13,311	$ 15,707

7. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves as follows:

Accumulated surplus as restated (see Note 1) at December 31, 2010:		
Equity in capital assets	$	15,208
Equity from operations - appropriated		5,500
Equity from operations - unappropriated		6,217
		26,925
Annual surplus for 2011		1,145
Accumulated surplus at December 31, 2011	$	28,070
Reserves:		
Equity in capital assets		14,493
Equity from operations - unappropriated		8,077
Reserves set aside for specific purpose by the Board of Directors:		
Replacement of assessment software system		5,500
	$	28,070

8. Commitments:

BC Assessment is committed to make payments under operating leases and contracts as follows:

2012	$	9,494
2013		8,400
2014		7,470
2015		5,354
2016		5,251
Thereafter		30,310
	$	66,278

9. Appeal costs:

BC Assessment is required to reimburse the Province of British Columbia for the operating costs of the Property Assessment Review Panel and the Property Assessment Appeal Board.

10. Budget data:

The unaudited budget data presented in these financial statements is based upon the 2011 operating and capital budgets approved by the Board on December 16, 2010.

11. Related party transactions:

BC Assessment is related through common ownership to all Province of British Columbia ministries, agencies and Crown corporations and all public sector organizations such as school districts, colleges, universities and health authorities that are included in the provincial government reporting entity. In addition, transactions with senior management, directors, immediate family members of senior management and directors and companies with which any of the above have a financial interest are also considered related parties. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

The Statement of Operations includes the following transactions with related parties of the Province of British Columbia:

	2011	2010
Other revenue	$ 94	$ 34
Payments for:		
Appeal costs	2,743	2,469
Salaries and benefits	795	707
Office	266	259
Professional and special services	1,331	899
Interest	23	8
Office premises	419	455
Travel	1	64
Assets (liabilities) at December 31 with related parties		
Accounts receivable	2	25
Accounts payable	(782)	(732)

BC Assessment contracted with the Province for the disposal of surplus property, plant and equipment with net proceeds of $74 (2010 - $29).

BRITISH COLUMBIA ASSESSMENT AUTHORITY
SCHEDULE OF DEBTS
AS AT DECEMBER 31, 2011

There were no debts at December 31, 2011 other than those shown in the Financial Statements.

• Prepared under the Financial Information Regulation, Schedule 1, s. 4

BRITISH COLUMBIA ASSESSMENT AUTHORITY
SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS
AS AT DECEMBER 31, 2011

This organization has not given any guarantee or indemnities under the Guarantees and Indemnities Regulation.

• Prepared under the Financial Information Regulation, Schedule 1, s. 5

BRITISH COLUMBIA ASSESSMENT AUTHORITY
SCHEDULE OF REMUNERATION AND EXPENSES
CABINET APPOINTEES
FOR THE YEAR ENDED DECEMBER 31, 2011

1. Members of the Board of Directors

NAME	POSITION	REMUNERATION	EXPENSES
Janet Heino	Member, Board of Directors	11,300	6,109
Bruce Hryciuk	Member, Board of Directors	9,250	13,723
Ernest Jack	Member, Board of Directors	-	1,167
Shawn McLaughlin	Member, Board of Directors	7,350	10,548
Doug Morneau	Member, Board of Directors	4,650	940
Anna Nyarady	Member, Board of Directors	11,400	6,494
George Puil	Member, Board of Directors	6,400	2,817
Judy Rogers	Member, Board of Directors	10,250	5,874
Brian Romer	Member, Board of Directors	4,450	3,549
Johannes Smienk	Member, Board of Directors	-	1,033
Johann Starke	Member, Board of Directors	2,600	3,614
Richard Taylor	Member, Board of Directors	3,500	1,510
Allen Tozer	Member, Board of Directors	8,800	9,148
Eldon Unger	Member, Board of Directors	7,767	5,417
Bernard Vanderhorst	Member, Board of Directors	-	370
	TOTALS	**$ 87,717**	**$ 72,313**

• Prepared under the Financial Information Regulation, Schedule 1, s. 6 (2) (3) (4) (5) and (6)

BRITISH COLUMBIA ASSESSMENT AUTHORITY
SCHEDULE OF REMUNERATION AND EXPENSES
PAID TO OR ON BEHALF OF EMPLOYEES
FOR THE YEAR ENDED DECEMBER 31, 2011

2. Employees
(list all employees, alphabetically, whose remuneration is over $75,000)

NAME	REMUNERATION	EXPENSES
Peter W. Alexander	105,960	5,784
Clive A. Allwork	107,997	865
Anthony S. Anslow	83,927	3,495
David Antonik	78,832	2,732
Leonard J. Appleby	79,933	1,834
Ron M. Arnett	80,787	4,131
Cameron Audette	90,126	49
Alan Arman Autajay	78,141	4,286
Johanna A. Bailey	98,729	1,389
Peter J. Bakker	79,933	1,831
W. Craig Barnsley	101,042	6,328
John Barry	94,887	5,401
Sally Barton	109,717	18,854
Harpreet Basra	76,656	4,336
Duane W. Bates	113,902	17,702
Bruce C. Bennett	79,933	2,454
Calvin O. Benson	109,840	4,302
Fran Berry	79,912	5,856
Kent L. Boag	78,245	2,517
Tina M. Boag	92,354	17,296
Sarah Bonner	77,680	5,006
Paul M. Borgo	110,783	4,474
Jan F. Bosmann	85,918	2,817
Barton Bourassa	78,381	7,435
Kim A. Boyd	79,563	4,892
Alan K. Brakefield	91,495	8,257
Peter M. Bretherton	150,206	39,500
Douglas M. Brock	79,933	1,398
Gerhard Brosch	131,882	19,668
H. Trevor Brown	80,016	7,461
Nancy Carleton	83,777	3,209

• Prepared under the Financial Information Regulation, Schedule 1, s. 6 (2) (3) (4) (5) and (6)

BRITISH COLUMBIA ASSESSMENT AUTHORITY
SCHEDULE OF REMUNERATION AND EXPENSES
PAID TO OR ON BEHALF OF EMPLOYEES
FOR THE YEAR ENDED DECEMBER 31, 2011

2. Employees
(list all employees, alphabetically, whose remuneration is over $75,000)

NAME	REMUNERATION	EXPENSES
John E. Castle	81,518	8,120
R. Brent Chan	93,850	6,526
G. David Chater	106,558	5,843
Erika Clark	83,924	3,504
Dan P. Cox	80,795	2,652
Don Currie	79,934	2,701
Reuben M. Danakody	122,764	26,337
Chris Danchuk	104,718	6,795
William N. Dawson	105,336	12,123
Lacy Derkson	78,339	1,120
Karen Diederichs	87,245	1,383
Jason Dooley	81,516	2,082
Kelly Dorin	106,473	7,108
Karen L. Duch	75,475	9,031
Peter Dumbelton	87,593	685
Lyle G. Dunn	82,389	4,452
J. Bruce Edwards	79,883	7,336
Andrea Elves	78,835	1,546
Maarten G. Ene	79,933	1,987
Bruce N. Evans-Atkinson	81,394	3,430
Connie Fair	190,307	42,855
Bruce E. Fitzpatrick	81,924	3,966
Deborah A. Francis	106,487	8,761
Joe A. Gatien	80,204	3,665
Daniel R. Gaudry	106,781	5,711
Lorraine Gilbert	79,933	3,772
Sara A. Girdler	85,206	2,748
Jason R. Grant	134,867	10,930
John A. Green	102,377	11,903
Gary D. Hamilton	79,933	3,844
Robbie Hans	79,933	3,498

• Prepared under the Financial Information Regulation, Schedule 1, s. 6 (2) (3) (4) (5) and (6)

BRITISH COLUMBIA ASSESSMENT AUTHORITY
SCHEDULE OF REMUNERATION AND EXPENSES
PAID TO OR ON BEHALF OF EMPLOYEES
FOR THE YEAR ENDED DECEMBER 31, 2011

2. Employees
(list all employees, alphabetically, whose remuneration is over $75,000)

NAME	REMUNERATION	EXPENSES
Graham Held	109,602	19,858
Dennis F. Hickson	110,448	10,899
David C. Highfield	152,462	43,921
Marie E. Highfield	79,968	3,029
Gordon D. Hillsden	79,075	13
G. Andrew Hoggarth	151,024	30,752
Derek R. Holloway	79,933	2,549
Evelin G. Irons	80,503	3,654
Darren W. Jerke	75,208	1,922
Darin J. D. Johnson	101,849	9,973
Kashmir Kang	132,467	10,961
Mark I. Katz	131,882	11,419
David K. Kingston	81,068	2,525
Bonnie C. Knight	80,913	16,306
Richard H. Kwan	79,933	5,165
Sarah W. Lai	80,543	2,974
Carol M. Lance	78,008	1,418
Bradley K. Lane	121,820	31,823
Katrina Le Noury	107,754	11,479
Laura Legh	95,916	9,775
Michelle Lim	87,543	267
Michael J. Lomax	109,675	13,218
Stephanie Long	77,552	2,529
Robert J. Low	80,566	3,713
Catherine MacDonald	115,642	9,543
John Madden	132,232	26,755
Mandeep Mahanger	80,977	5,243
Gerry Marolla	108,063	11,459
Averil J. Matthews	79,907	6,922
Colleen E. McCombe	98,081	23,851
Melanie L. McComber	80,873	5,136

▪ Prepared under the Financial Information Regulation, Schedule 1, s. 6 (2) (3) (4) (5) and (6)

BRITISH COLUMBIA ASSESSMENT AUTHORITY
SCHEDULE OF REMUNERATION AND EXPENSES
PAID TO OR ON BEHALF OF EMPLOYEES
FOR THE YEAR ENDED DECEMBER 31, 2011

2. Employees
(list all employees, alphabetically, whose remuneration is over $75,000)

NAME	REMUNERATION	EXPENSES
David McCoy	84,127	11,633
Grant G. McDonald	108,597	7,189
M. Sean McGinnis	79,933	7,282
Shandra L. McInnes	82,026	4,158
Richard D. McMahon	105,011	6,943
Kevin B. McPhail	82,519	4,742
Harry S. Mercer	145,573	16,831
Jason W. Mitchell	85,363	118
David Mohammed	90,093	1,879
Paul D. Mrazek	79,933	6,602
J. Glen Neufeldt	79,933	5,068
Wendy Norman	95,599	8,635
Niko P. Papoutsakis	80,733	3,274
Meredith L. Parkes	90,473	5,214
Jacqueline S. Parsons	82,592	2,775
Jacqueline L. Pascoe	106,473	5,709
Gregg Paton	114,907	10,359
Nancy Peck	91,237	8,163
Bruce Pollock	116,407	12,694
Michael J. Polomark	76,751	2,102
Thomas W. Pringle	79,060	5,132
Char Randhawa Paul	112,265	12,864
Rodney Ravenstein	79,933	6,523
Kim T. Redlich	79,933	2,149
David A. Robertson	78,585	4,773
Andy Robinson	145,572	24,922
Louis V. Rowley	96,631	52
Elizabeth Rush	91,688	11,832
Gajanan Sahasrabudhe	98,152	1,017
Bruce Sanderson	87,388	85
Dwayne Scallion-Pond	91,193	7,373

▪ Prepared under the Financial Information Regulation, Schedule 1, s. 6 (2) (3) (4) (5) and (6)

BRITISH COLUMBIA ASSESSMENT AUTHORITY
SCHEDULE OF REMUNERATION AND EXPENSES
PAID TO OR ON BEHALF OF EMPLOYEES
FOR THE YEAR ENDED DECEMBER 31, 2011

2. Employees
(list all employees, alphabetically, whose remuneration is over $75,000)

NAME	REMUNERATION	EXPENSES
Laura E. Schwagele	104,462	8,354
Brent Sear	79,933	2,437
Edward C. Shum	111,882	6,661
Prit Sidhu	83,152	6,857
Rick Sidhu	81,439	3,574
Dharmesh Sisodraker	103,346	3,640
Scott B. Sitter	113,571	24,769
Darlene Smith	109,885	-
John A. Snow	81,464	6,691
Jason J. Sowinski	106,924	20,366
Shelagh L. Stadel	78,878	6,756
James R. Stewart	106,941	4,767
Alan E. Stock	80,333	4,290
Chris F. Sturrock	79,933	5,473
Ronald C. Swinden	79,933	2,930
Sybilla M. Tapp	86,249	5,849
Bruce K. Tasaka	127,135	17,860
Janice L. Thomas	101,424	13,717
David R. Thompson	114 094	12,737
R. Jay Walker	90,313	5,938
Tracy C. Wall	98,984	9,730
Douglas Eaton Walter	79,069	7,328
Zina C. Weston	102,151	6,836
Ann M. Whiteley	80,001	4,578
Christopher J. Whyte	101,435	21,726
Douglas B. Williamson	84,458	3,497
Margaret Wong	79,933	1,857
W. Greg Wood	103,679	9,340
G. Mark Wooldridge	131,890	25,057
John J. Yannacopoulos	136,751	22,074
Vicky L. Yip	79,933	2,076

• Prepared under the Financial Information Regulation, Schedule 1, s. 6 (2) (3) (4) (5) and (6)

BRITISH COLUMBIA ASSESSMENT AUTHORITY
SCHEDULE OF REMUNERATION AND EXPENSES
PAID TO OR ON BEHALF OF EMPLOYEES
FOR THE YEAR ENDED DECEMBER 31, 2011

2. Employees
(list all employees, alphabetically, whose remuneration is over $75,000)

NAME	REMUNERATION	EXPENSES
Todd L. Zabomiak	82,334	4,152
Nolan Zak	83,656	2,055
Richard M. Zdunich	78,419	732
David J. Ziola	79,221	3,020
Sarita Zugazaga	79,920	2,720
Totals for employees with salaries less than $75,000 per annum	29,062,188	1,424,715
Benefits paid by employer:		
Receiver General for Canada - CPP, EI		2,163,656
Dental and Extended Health Premiums		1,476,353
Medical Premiums		719,629
Life and Disability Premiums		1,010,891
Pension		3,755,284
	$44,222,391	**$11,820,088**

▪ Prepared under the Financial Information Regulation, Schedule 1, s. 6 (2) (3) (4) (5) and (6)

BRITISH COLUMBIA ASSESSMENT AUTHORITY
STATEMENT OF SEVERANCE AGREEMENTS
AS AT DECEMBER 31, 2011

There were two severance agreements between BC Assessment and its non-unionized employees under which payment commenced during fiscal year 2011.

Agreement #1 consisted of 18 weeks of salary and benefits.

Agreement #2 consisted of 24 weeks of salary and benefits.

• Prepared under the Financial Information Regulation, Schedule 1, subsection 6 (7)

BRITISH COLUMBIA ASSESSMENT AUTHORITY
SCHEDULE OF PAYMENTS TO SUPPLIERS
OF GOODS AND SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2011

NAME	PAYMENT
2725312 Canada Inc.	1,180,381
Access Point Information Canada	218,385
Affiliated Computer Services	868,139
Advanced Parking Systems Ltd.	69,691
Advicas	38,976
Altus Business Consultants	401,028
Altus Group Limited	25,312
Astute Management Consulting Inc.	34,272
B.C. Hydro	50,982
Brightstar Printer	39,932
Canada Post Corporation	1,282,140
CGI Information Systems & Management Consultants	63,101
Citrix	28,016
Colbrook Properties Ltd.	115,192
City of Courtenay	35,368
W. Harvey Cox	32,435
Brian Crawford	40,782
Crease Harman & Company	68,836
Dagg Integrated Marketing Services	56,107
Dasilva Developments Ltd.	80,406
City of Dawson Creek	30,601
Dundee Realty Management (BC)	157,727
Elevate Consulting	82,997
ESRI Canada Ltd.	49,202
Filbitron Marketing Corporation	77,924
Frontage Holdings	89,037
Gemini Joint Venture	102,950
Gilmore Doculink	296,660
Global Knowledge Network Canada	150,521
Grand and Toy Ltd.	192,019
Grant Thornton LLP	39,085
Graphic Office Interiors Ltd.	130,249
GWL Realty Advisors Inc.	221,564
Harbour Air Ltd.	26,227
Hardy Place, L.P.	405,044

- Prepared under the Financial Information Regulation, Schedule 1, s. 7. and the *Financial Information Act*s. 2.

BRITISH COLUMBIA ASSESSMENT AUTHORITY
SCHEDULE OF PAYMENTS TO SUPPLIERS
OF GOODS AND SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2011

NAME	PAYMENT
Helijet International Inc.	44,252
Hub International TOS Insurance	87,950
I.G. Systems Corporation	77,638
IBM Canada Ltd.	339,763
ICIS	271,490
Info-Tech Research Group Inc.	25,536
Insurance Corporation of B.C.	55,484
Island Key Computer Limited	1,286,351
itgroove	58,537
Kenneth Jansen	44,200
Jawl Properties Ltd.	434,766
Jenkins Marzban Logan LLP	242,745
City of Kamloops	36,859
Kim J. Lang	54,902
Lex Pacifica Law Corporation	724,777
Malatest and Associates Ltd.	91,112
McCarthy Tetrault LLP	39,215
McMillan LLP	55,639
Mercer (Canada) Limited	121,327
Micro Com Systems (1992) Ltd.	72,530
Microserve	53,910
Microsoft Licensing, GP	377,100
MmPower Consulting Inc.	25,025
Modus Inc.	106,748
Monk Office Supply Ltd.	26,719
Muze Creative	78,064
Myra Systems Corp.	1,254,366
NMSP ITF Artis Production Court Ltd.	147,791
Northern Interior Woodworkers	247,141
OA Solutions	112,493
Oracle Corporation Canada Inc.	379,337
Pacific Carbon Trust	29,554
Pacific Coastal Airlines Ltd.	30,000
PHH Vehicle Management Services Ltd.	101,431
Porte Realty Ltd.	210,780

- Prepared under the Financial Information Regulation, Schedule 1, s. 7. and the *Financial Information Acts*. 2.

BRITISH COLUMBIA ASSESSMENT AUTHORITY
SCHEDULE OF PAYMENTS TO SUPPLIERS
OF GOODS AND SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2011

NAME	PAYMENT
PPC Worldwide Canada EAP Services Ltd.	54,335
Prado Holdings Ltd.	245,272
Province of British Columbia	4,860,915
Ravine Equities Inc.	1,935,025
Re/Max Check Realty (In Trust)	174,797
RealNet Canada Inc.	54,103
Rice Design Associates	65,251
Peter Rogerson	25,110
Schmidt and Carbol Consulting	32,165
Sheraton Vancouver Airport Hotel	31,709
SHI Canada ULC	116,235
Stewart McDannold Stuart	149,086
Symcor Inc.	81,324
TELUS Communications Inc.	1,139,687
TELUS Mobility	138,233
The 500 Staffing Inc.	51,390
Trek Aerial Services	96,767
University of British Columbia	155,907
UC4 Software Inc.	77,449
Vizeum Canada Inc.	118,158
Wallace Street Projects Inc.	26,746
Warrington PCI ITF Clearbrook Plaza	353,879
Wescom Services Ltd.	27,222
Workers' Compensation Board	35,415
Xerox of Canada Limited	396,987
Yotta MVS Inc.	254,352
Miscellaneous suppliers less than $25,000	2,011,329
TOTAL	**$26,835,662**

- Prepared under the Financial Information Regulation, Schedule 1, s. 7. and the *Financial Information Acts*. 2.

BRITISH COLUMBIA ASSESSMENT AUTHORITY
NOTES TO THE SCHEDULES OF PAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

1. REMUNERATION AND EXPENSES

- **Remuneration**

  Remuneration reported for employees reflects calendar year 2011 T4 salaries paid.

  Remuneration reported for members of the Board of Directors reflects fiscal year 2011 fees as reported in the Financial Statements of BC Assessment.

- **Expenses**

  Expenses for employees and for members of the Board of Directors reflect fiscal year 2011 expenses as reported in the Financial Statements of BC Assessment for all travel, moving, education and professional association expenses paid to or on behalf of BC Assessment staff. Reported expenses may include payments which have also been included on the Schedule of Supplier Payments where such payments were made on behalf of employees and Board members to suppliers of services such as travel and educational agencies.

- **Benefits**

  Employee benefits reported reflect 2011 fiscal year expenses as reported in the Financial Statements of BC Assessment.

2. PAYMENTS TO SUPPLIERS OF GOODS AND SERVICES

Supplier payments reported reflect payments made during fiscal 2011 with no adjustments for the Goods and Services Tax and Harmonized Sales Tax rebate, or for accruals.